

Consolidated Financial Statements for the year ended 31 December 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2016

	Bahraini Dinars '000	
	2016	2015
Assets		
Cash and cash equivalents	80,900	60,974
Treasury bills	16,256	750
Investments at fair value through profit or loss	28,040	14,258
Investments at fair value through other comprehensive income	4,793	-
Available-for-sale investments	-	30,244
Investments at amortized cost	8,923	-
Fees receivable	1,164	1,138
Other assets	5,481	3,968
Furniture, equipment and intangibles	1,507	1,435
Total assets	147,064	112,767
Liabilities and equity		
Liabilities		
Short-term bank borrowings	39,255	19,777
Customer accounts	42,994	28,805
Other liabilities	3,903	2,910
Payable to other unit holders in consolidated funds	2,830	2,836
Total liabilities	88,982	54,328
Equity		
Share capital	42,849	42,849
Shares under employee share incentive scheme	(1,599)	(1,599)
Statutory reserve	6,661	6,427
General reserve	3,217	3,217
Investments fair value reserve	(251)	(567)
Retained earnings	7,205	8,112
Total equity	58,082	58,439
Total liabilities and equity	147,064	112,767

CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the year ended 31 December 2016

	Bahraini Dinars '000	
	2016	2015
Net investment income	2,474	2,532
Net fee and commission income	2,634	3,602
Brokerage and other income	1,757	1,764
Other interest income	1,023	524
Total income	7,888	8,422
Staff and related expenses	(3,581)	(3,760)
Interest expense	(107)	(55)
Other operating expenses	(1,752)	(1,715)
Impairment	-	(140)
Share of (profit) / loss of other unit holders in consolidated funds	(103)	94
Profit for the year	2,345	2,846
Basic and diluted earnings per share (fils)	5.47	6.64

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2016

	Bahraini Dinars '000	
	2016	2015
Profit for the year	2,345	2,846
Other comprehensive income		
Items that are or may be reclassified to profit or loss in subsequent periods:		
Investments fair value reserve (through other comprehensive income investments):		
- Net amount transferred to statement of profit or loss	(215)	(1,787)
Items that will not be reclassified to profit or loss in subsequent periods:		
Investments fair value reserve (through other comprehensive income investments):		
- Net change in fair value transferred to retained earnings	880	-
- Net change in fair value	(345)	102
Total other comprehensive income for the year	320	(1,685)
Total comprehensive income for the year	2,665	1,161

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2016

	Bahraini Dinars '000	
	2016	2015
Operating activities		
Net interest received	1,981	1,540
Sale of investments at fair value through profit or loss	22,835	40,999
Purchase of investments at fair value through profit or loss	(36,122)	(39,062)
Sale of investments at fair value through other comprehensive income	34,973	31,728
Purchase of investments at fair value through other comprehensive income	(14,902)	(33,063)
Purchase of amortized cost investments	(3,860)	-
Net increase / (decrease) in customer accounts	14,189	(4,073)
Dividends received	544	701
Brokerage and other fees received	3,080	6,892
Payments for staff and related expenses	(3,618)	(4,292)
Payments for other operating expenses	(583)	(1,361)
Net cash from operating activities	18,517	9
Investing activities		
Net capital expenditure on furniture and equipment	(284)	(213)
Net cash used in investing activities	(284)	(213)
Financing activities		
Net proceeds from short-term bank borrowings	19,478	3,557
Net (payments) / proceeds from issue / (redemption) of units	(169)	828
Proceeds / (Distribution) to other unit holders in consolidated funds	32	(28)
Dividends paid	(2,142)	(3,856)
Net cash from financing activities	17,199	501
Net increase in cash and cash equivalents during the year	35,432	297
Cash and cash equivalents at the beginning of the year	61,724	61,427
Cash and cash equivalents at the end of the year	97,156	61,724

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2016

	Share capital	Shares under employee share incentive scheme	Statutory reserve	General reserve	Investments fair value reserve	Retained earnings	Total equity
2016							
Balance at 1 January 2016	42,849	(1,599)	6,427	3,217	(567)	8,112	58,439
- Impact on early adoption of IFRS 9 at 1 January 2016	-	-	-	-	(4)	4	-
Balance as restated at 1 January 2016	42,849	(1,599)	6,427	3,217	(571)	8,116	58,439
Profit for the year	-	-	-	-	-	2,345	2,345
Other comprehensive income:							
Investments fair value reserve (investments at fair value through other comprehensive income):							
Net change in fair value	-	-	-	-	(345)	-	(345)
Net amount transferred to profit or loss on sale	-	-	-	-	(215)	-	(215)
Net amount transferred to retained earnings	-	-	-	-	880	(880)	-
Total other comprehensive income	-	-	-	-	320	(880)	(560)
Total comprehensive income for year	-	-	-	-	320	1,465	1,785
Transfer to statutory reserve	-	-	234	-	-	(234)	-
Transaction with owners recognized directly in equity:							
- Dividends declared for 2015	-	-	-	-	-	(2,142)	(2,142)
Balance at 31 December 2016	42,849	(1,599)	6,661	3,217	(251)	7,205	58,082

	Share capital	Shares under employee share incentive scheme	Statutory reserve	General reserve	Investments fair value reserve	Retained earnings	Total equity
2015							
Balance at 1 January 2015	42,849	(1,599)	6,142	2,642	1,118	9,946	61,098
Comprehensive income for the year:							
Profit for the year	-	-	-	-	-	2,846	2,846
Other comprehensive income:							
Fair value reserve (Investments at fair value through other comprehensive income):							
Net change in fair value	-	-	-	-	102	-	102
Net amount transferred to profit or loss on sale / impairment	-	-	-	-	(1,787)	-	(1,787)
Unrealized gain on consolidated funds transferred to retained earnings	-	-	-	-	-	36	36
Total other comprehensive income	-	-	-	-	(1,685)	-	(1,685)
Total comprehensive income for the year	-	-	-	-	(1,685)	2,882	1,197
- Transfer to general reserve	-	-	-	575	-	(575)	-
- Transfer to statutory reserve	-	-	285	-	-	(285)	-
Transaction with owners recognized directly in equity:							
- Dividends declared for 2014	-	-	-	-	-	(3,856)	(3,856)
Balance at 31 December 2015	42,849	(1,599)	6,427	3,217	(567)	8,112	58,439

Abdulla Bin Khalifa Al Khalifa
Chairman

Hussain Al Hussaini
Vice Chairman

Najla M. Al Shirawi
Chief Executive Officer

These statements have been extracted from consolidated Financial Statements for the year ended 31 December 2016 which were approved by the Board of Directors on 16 February 2017 and which were audited by KPMG Fakhro, who expressed an unqualified opinion.